

 सत्यमेव जयते	राजस्थान राज-पत्र विशेषांक	RAJASTHAN GAZETTE Extraordinary
	साधिकार प्रकाशित	<i>Published by Authority</i>
	फाल्गुन 08, गुरुवार, शाके 1946 - फरवरी 27, 2025 Phalguna 08, Thursday, Saka 1946- February 27, 2025	

भाग-1(ख)

महत्वपूर्ण सरकारी आज्ञायें।

Industries and Commerce (Group-2) Department

Notification

Jaipur, February 13, 2025

No. F1(2)ind/Gr-2/2025 :-

Rajasthan Textile and Apparel Policy 2025

1. Preamble

The Government of Rajasthan is well aware of the fact that the textile and apparel sector represents a vital component of our economy, fostering growth. With its rich heritage and significance in national and global trade, the textile and apparel sector employ millions, supports livelihoods, and contributes substantially to our GSDP. Recognizing the evolving demands of the market and the necessity for a competitive edge, the Government of Rajasthan hereby presents a comprehensive 'Rajasthan Textile and Apparel Policy 2025' designed to advance our position in both domestic and international arenas.

This policy focuses on the holistic development of the textile and apparel industry by fostering collaboration across various segments. We prioritize:

Production of Natural Fibres: Encouraging sustainable development, enhancing the use of environmentally friendly materials, and boosting the overall competitiveness of the textile industry.

Production of Man-Made Fibres (MMF): Acknowledging the growing demand for synthetic alternatives, we support the development and innovation of man-made fibres, promoting their use while ensuring sustainable manufacturing practices that reduce ecological footprints.

Production and Processing of Textiles: Establishing state-of-the-art facilities aimed at improving efficiency and quality in textile manufacturing, addressing the entire value chain from yarn spinning to fabric production.

Production of Technical Textiles: Recognizing the burgeoning market for technical textiles, this policy promotes R&D initiatives to create high-performance fabrics suitable for specialized applications.

Handloom and Textile Handicraft: Handholding for the development and upgradation of the handloom and textile handicraft sector.

Wool Processing: Implementing comprehensive strategies for the wool supply chain, encompassing scouring, combing, spinning, weaving, and milling processes. We aim to boost the domestic wool industry while elevating our standards through technological advancements.

Production of Apparel: Supporting the garment industry through the establishment of modern manufacturing practices to increase competitiveness and quality in the production of ready-to-wear apparel, made-ups, and wearables.

Processing of Leather & Leatherette: Promoting sustainable practices in leather processing, including tanning and finishing operations that minimize environmental impact while enhancing the quality of leather and leatherette products.

Manufacturing of Leather & Leatherette Products: Encouraging innovation in the design and manufacturing of high-quality leather and leatherette goods, positioning local manufacturers as leaders in craftsmanship and style.

Manufacturing of Accessories: Fostering a culture of creativity and excellence in producing accessories used in the textile, apparel, and leather sectors, ensuring they complement our core offerings and meet consumer demands.

Manufacturing of Footwear: Advancing the footwear industry through the integration of diverse materials, including rubber, plastic, fabric, textiles, cotton, wool, polyester, nylon, and synthetics, and enhancing the comfort, durability, and aesthetics in footwear design.

This Rajasthan Textile and Apparel Policy 2025 aims to create a robust framework that aligns with global best practices while addressing local needs. By fostering skill development, sustainability, and collaboration across the sector, this government will catalyse economic growth, create employment opportunities, and ensure our place as a key global player in the textile and apparel industry. Together, we will weave a future of lasting impact and success for the textile and apparel sector in Rajasthan.

2. Introduction

2.1. Textile Production in India – Historical Background

India has a rich history of textile and apparel production including garments, footwear, and others. India's textile industry, with a history spanning over 5,000 years, has seen remarkable growth, evolving from humble village handlooms to large-scale, modern textile mills. The Indus Valley Civilization was a prominent centre for textile production in ancient India, thriving in and around the cities of Mohenjo-Daro and Harappa between 2500 and 2000 BC. Excavations from these sites have revealed spindle whorls of wool, anchors, cotton, and copper sewing needles, along with figurines and engraved seals. Impressions of woven fabric and large quantities of cotton seeds, dating as far back as 5000 BC, indicate that cotton cultivation and textile weaving were already highly developed by that time.

2.2. Textile Production in India – Current Scenario

Textiles and apparel sector plays a significant role in India's economy, contributing:

- ▶ 2.3% to India's GDP: The sector is a major contributor to the nation's Gross Domestic Product, showcasing its importance in India's overall economic framework.
- ▶ 13% to Industrial Production: It forms a substantial part of India's industrial output, underscoring the sector's large-scale manufacturing presence.
- ▶ 12% to India's Exports: As one of the largest exporters, the textiles and apparel industry is crucial to India's trade, exporting a wide range of products including fabrics, garments, and yarn to global markets.

The sector is also a major employer, providing jobs to millions of people, especially in rural areas, and is integral to the country's socio-economic development.

Indian textiles and apparel market is expected to grow at a compound annual growth rate (CAGR) of 10%, reaching US\$ 350 billion by 2030. India is currently the world's 3rd largest exporter of textiles and apparel and ranks among the top five global exporters in several textile categories, with exports projected to reach US\$ 100 billion.

2.3. Market Textile Production in Rajasthan

Rajasthan is the 4th largest cotton-producing state in the country with ~ 27.12 (lakh bales) in FY 2023 and the largest producer of polyester viscose suiting, polyester viscose yarn, and synthetic suiting material in India. Rajasthan is the largest wool- producing state in India, contributing 46% of the country's total wool production.

The state has made significant infrastructural investments, including developing textile parks and industrial estates, which offer shared facilities, testing laboratories, and research centres to support the textile industry. These initiatives help boost industry growth, efficiency, and competitiveness. The state has around three industrial parks under the Scheme for Integrated Textile Parks (SITP):

- ▶ Next Gen Textile Park Pvt Ltd – Pali
- ▶ Kishangarh Hi-Tech Textile Weaving Park – Ajmer
- ▶ Jaipur Integrated Texcraft Park – Jaipur

2.4. Advantage Rajasthan

Rajasthan has four well-developed textile hubs present in Bhilwara, Jaipur, Pali, and Balotra and targeting new textile zones at Bhilwara and Jodhpur.

Connectivity

- ▶ Rajasthan provides access to around 40% of India's market in the neighbouring states and also serves as an indispensable medium of transport between North- Indian states and the ports on the western coastline of India.
- ▶ Rajasthan boasts the 3rd largest network of national highways, with 20 major National Highways, and has the 2nd largest rail network in India, ensuring efficient connectivity. The state offers easy access to key ports like Mundra Port and Jawaharlal Nehru Port Trust (JNPT), along with nine Inland Container Depots, one Air Cargo Complex, and seven airports with both international and domestic connections.
- ▶ Further, over 58% of the State's area is within Delhi Mumbai Industrial Corridor (DMIC).

Skilled Manpower

- ▶ Universities: Rajasthan has 52 private universities 31 state-funded universities and 1 Central University.
- ▶ Central Government Institutes: Around 15 institutes such as Central Sheep & Wool Research Institute, etc.
- ▶ Technical Institutes: Rajasthan is home to numerous technical institutes, including prestigious institutions such as the Indian Institute of Technology (IIT) Jodhpur, Indian Institute of Management (IIM) Udaipur, and Indian Institute of Information Technology (IIIT) Kota. These institutes contribute significantly to the state's educational and technological landscape.

- ▶ Highly skilled young talent graduate from institutes such as NIFT Jodhpur, Indian Institute of Crafts & Design (IICD) - Jaipur, Indian Institute of Handloom Technology (IIHT), Jodhpur.

3. Scope of the Policy

3.1. Policy Period

‘Rajasthan Textile and Apparel Policy 2025’ shall come into force with effect from the date of its notification and shall remain valid until March 31, 2029, or till the new or revised policy is notified, whichever is earlier.

3.2. Nodal Department

The Industries and Commerce Department shall be the nodal department for processing the applications for incentives under the policy and coordinating with various State Departments or its agencies for facilitating other benefits that shall be extended in the policy.

3.3. Textile and Apparel Focus Sub-Sectors

- 3.3.1.** Parks Production of Natural Fiber
- 3.3.2.** Production of Man Mader Fiber (MMF)
- 3.3.3.** Production and Processing of Textile
- 3.3.4.** Production of Technical Textile
- 3.3.5.** Handloom and Textile Handicraft
- 3.3.6.** Wool Processing
- 3.3.7.** Production of Apparel including Garments, Made ups and Wearables
- 3.3.8.** Processing of Leather & Leatherette
- 3.3.9.** Manufacturing of Leather & Leatherette Products
- 3.3.10.** Manufacturing of accessories used in Textile, Apparel, Leather & Leatherette products
- 3.3.11.** Manufacturing of Footwear from rubber, plastic, fabric, textiles, cotton, wool, polyester, nylon, synthetics, foam and blending of any materials

3.4. Policy Objectives

Rajasthan Textile and Apparel Policy 2025 aims to develop a world-class textile and apparel manufacturing ecosystem in the state by attracting investments in the sector, especially through international and national textile and apparel players. This policy aims to achieves.

- 3.4.1.** Promote modern infrastructure and technological upgrades to strengthen the textile and apparel value chain within the state.
- 3.4.2.** Attract investments of INR 10,000 crores and create opportunities for additional employment of up to 2 lakh people over the next 5 years.
- 3.4.3.** Create employment generation opportunities, particularly for women, people with disability, scheduled caste, scheduled tribe and transgender category.
- 3.4.4.** Support skill development and capacity-building initiatives to ensure a steady supply of skilled manpower for the textile industry, thereby enhancing employability in the sector.
- 3.4.5.** Promote the development of 5 textile and apparel industrial parks in the state by the private sector.

- 3.4.6. Encourage research, development, and innovation to advance eco-friendly processes and technologies in the textile sector.
- 3.4.7. Support the establishment of new apparel units and the expansion of existing units, with a special focus on the Readymade Garment (RMG) sector.
- 3.4.8. Strengthen production and value chains in technical textiles, and wearables, and provide essential ancillary and backend support to these industries.
- 3.4.9. Promote the application of water-efficient processes and technology, use recycled and treated water, and minimise environmental impact.

4. Definitions

The underlying definitions shall provide clarity and understanding to all the stakeholders and set uniformity, for proper interpretation and implementation.

4.1. Enterprise

A textile and apparel enterprise means an enterprise employing plant and machinery in processing and/ or production of goods, as defined in the textile and apparel focus sub-sectors (Clause 3.3), which brings into existence a commercially different and distinct commodity but shall not include such processing as may be excluded by the State Government as notified from time to time.

4.1.1. New and existing enterprises investing in and establishing new units.

4.1.2. Existing enterprises investing minimum INR 50 crores or 25% of its existing investment whichever is higher and generating incremental capacity of at least 20%.

4.1.3. Enterprises acquiring an asset under liquidation or resolution proceedings by the order of NCLT under The Insolvency and Bankruptcy Code, 2016 shall be eligible if they make a minimum additional investment equivalent to 25% of the acquisition cost of such asset, provided the unit undergoing liquidation or resolution (as the case may be) had not obtained any benefits of any past RIPS.

4.1.4. Only investments made and employment generated by an enterprise in Rajasthan shall be considered as Eligible Fixed Capital Investment (EFCI) or employment for applicable incentives and boosters under this Policy.

4.2. Textile and Apparel Park Developer

An industrial park developer to establish a Greenfield Data Centre Industrial Park for A developer establishing a Greenfield Private Industrial Park for manufacturing and/ or processing of goods of the textile and apparel focus sub-sectors (Clause 3.3) and is eligible as per the Rajasthan Private Industrial Park Scheme 2025.

4.3. Project Eligibility

4.3.1. Eligible Textile and Apparel Unit

A Data Centre Unit having an installed capacity of a minimum of 2 MW providing data centre services as defined in Clause 4.1 of this policy making investment as per the following table:

Project Category	EFCI
MSME	MSME units as defined in the MSME Act 2006 and amendments made therein from time to time

Large	A non-medium enterprise with an: EFCI of INR 50 Cr. to < INR 300 Cr. Or
Mega	EFCI of INR 300 Cr. to < INR 1,000 Cr. Or Employment Generation of 250 with minimum EFCI of INR 150 Cr.
Ultra Mega	EFCI of more than INR 1,000 Cr.+ Or Employment Generation of 750 with minimum EFCI of INR 500 Cr.

*Table 1: Project Category***4.3.2. Textile and Apparel Park**

A greenfield private industrial park for manufacturing and/ or processing of goods of the textile and apparel focus sub-sectors (Clause 3.3) and fulfils the minimum criteria as per the Rajasthan Private Industrial Park Scheme 2025.

4.4. Eligible Fixed Capital Investment (EFCI)

Eligible Fixed Capital Investment (EFCI) is the capital investment made by an enterprise in fixed assets as per the following by the textile and apparel manufacturing units:

4.4.1. Land

For calculating the EFCI the land price shall be taken into consideration as per the actual purchase price mentioned in the 'Registered Sales Deed' in case of private land, or allotment price mentioned in the 'Allotment Letter/ Lease Deed' in case the land is allotted by the state or its agencies or corporations.

The land cost (excluding stamp duty & registration fees paid) will be considered up to 30% of the project cost, as a land component for arriving the EFCI.

4.4.2. Building

Building means any structure or part thereof meant to be used for the manufacturing and processing requirements or any other purpose of the textile and apparel focus sub-sectors (Clause 3.3) or part thereof mentioned in this policy.

4.4.3. Plant and Machinery

Cost of acquiring, transporting, foundation, erection, installing, and electrification the equipment for establishing data centre infrastructure including:

a. Plant and Machinery shall include any new indigenous/ imported plant and machinery used by the textile and apparel Industry to fulfill the manufacturing and processing requirements or any other purpose of the textile and apparel focus sub-sectors (Clause 3.3), and as mentioned in the DPR and approved by the PAC.

b. Miscellaneous fixed assets such as Diesel Generator Sets, compressors, ETP equipment, testing equipment, etc. The ETP and DG Set should be as per norms set up by the Central Pollution Control Board (CPCB) and Rajasthan Pollution Control Board (National Green Tribunal (NGT) or any statutory body of the Government of India/ Rajasthan.

4.5. Ineligible Expenditure

Following is the expenditure that shall not be covered as part of Eligible Fixed Capital Investment:

- 4.5.1. Goodwill Fees/ Royalty/ Brokerages/ Commission/ Consultancy Fee paid to purchase Land/ Building/ Equipment/ Plant & Machinery.
- 4.5.2. Commissioning Fees/ Technical Fees/ Consultancy Fees for setting up of Plant/ Machinery.
- 4.5.3. Preliminary & Pre-operative Expenses
- 4.5.4. Interest capitalized
- 4.5.5. Transportation of equipment and vehicles
- 4.5.6. Working capital
- 4.5.7. Consumables Spares and Store
- 4.5.8. Computer, Stationary Items and Allied Office Furniture
- 4.5.9. All Types of Service Charges, Carriage and Freight Charges
- 4.5.10. Any expense not specifically expressed as an eligible investment
- 4.5.11. Any other expense which is not approved by the PAC.

4.6. Area Category

4.6.1. Area Category for a Textile and Apparel Enterprise shall be as specified in section 9.3 of RIPS 2024 as 'List of Tehsils Mapped to Area Categories' or any amendments thereof.

4.6.2. A Textile and Apparel Enterprise making an investment across multiple tehsils, the area category for such enterprise shall be determined basis the area category in which it makes the maximum EFCI.

4.7. Eligible Investment Period

4.7.1. Textile and Apparel Unit

The Enterprise shall commence commercial operation during the operative period of the policy unless otherwise specified in the policy.

4.7.2. Textile and Apparel Park

As per the provisions of Private Industrial Park Scheme 2025.

4.8. Commencement of Commercial Production/Operation

4.8.1. New Enterprise

For a new enterprise, the date on which the enterprise issues the first bill of supply/ invoice/ tax invoice/ job work invoice of the goods manufactured or processed and/ or of services rendered related to the investment made under this Policy.

4.8.2. Expansion/ Diversification

For an existing enterprise investing in expansion or diversification, the date on which the enterprise issues the first bill of supply/ invoice/ tax invoice of the goods manufactured after completion of expansion/ diversification.

4.8.3. Private Textile and Apparel Park

As defined in the Private Industrial Park Scheme 2025.

4.9. Net Sales Turnover

Net Sales Turnover means the aggregate value of the realisation of the amount made from the sale of services by the enterprise during a financial year. Income from other sources (non-operating activities) like interest received, grants or subsidies, trading activity, and resale of products/goods will not be counted under Net Sales Turnover.

4.10. Letter of Approval (LoA)

Letter of Approval (LoA) will be issued by the PAC to the developer upon the approval

of the project based on DPR. The Letter of Approval will contain the following details:

- 4.10.1.** Approved project cost based on the approved eligible expenses for calculating the incentives payable under this policy.
- 4.10.2.** Approximate quantum of the incentives under various heads under this policy.
- 4.10.3.** Expected timeline for completion of the project.

4.11. Employee

Employee means a worker directly hired for the manufacturing and processing requirements or any other purpose of the textile and apparel focus sub-sectors (Clause 3.3). This also includes the contractual workers hired by a principal employer i.e. an enterprise (Clause 4.1) through a contractor. An employer or a contractor needs to fulfil the following conditions towards consideration of a worker an employee under this policy:

- 4.11.1.** Such a worker must have been employed with the employer or the principal employer for at least nine months in a financial year.
- 4.11.2.** Such a worker must have a valid ADHAAR.
- 4.11.3.** Such workers must have been enrolled in EPF/ESI.
- 4.11.4.** The salary payment to such worker by the enterprise/ contractor must be done by direct bank transfer in the bank account.
- 4.11.5.** Support staff like Drivers, Security Guards, Sweepers, Peons, etc. shall not be considered as part of the employee strength of the enterprise for any employee-related incentives.

4.12. Eligible Term Loan

Eligible term loan means, a loan disbursed to meet the EFCI requirement and taken from State Financial Institutions, Financial Institutions, or Banks recognized by the Reserve Bank of India, RBI recognised non-resident entities having a Loan Registration Number (LRN).

4.13. Applicant

An 'Applicant' in this policy means the entities as defined in clause 4.1 applying for the benefits and incentives under this policy.

4.14. Detailed Project Report (DPR)

A Detailed Project Report (DPR) is a comprehensive blueprint for a project, providing a thorough and in-depth outline of all necessary elements required for its successful completion. It encompasses an exhaustive study of the project describing details of the fixed investment being envisaged in the project, the chosen technology and technological parameters, the floor plan, detailed project schedule, etc. DPR will also include Copies of Quotations for the plant and machinery to support the figure of investment in the plant and machinery.

4.15. Green Solution Areas

Green Solution Areas means all green solution areas defined below, the State reserves the right to add or exclude specific activities within any area, sector or product from time to time as deemed fit:

4.15.1. Environmental Infrastructure Facilities

- a. Effluent Treatment Plant & Common Effluent Treatment Plant
- b. Establishing "Reuse and Recycling of Industrial Waste, electronic waste & plastic waste Plant"
- c. Augmentation and technology upgradation of existing ETPs & CETPs
- d. Common spray dryer, common multiple effect evaporator
- e. Common Boiler Project by SPV
- f. Implementation of cleaner production technology in place of existing process such as substitution & optimization of raw material, reduction in water consumption or energy consumption or waste generation
- g. For environment management project with use of clean, Efficient and Innovative Pollution Control Equipment
- h. Installation of online Continuous Stack Emission Monitoring Systems (CEMS)
- i. Setting Up of Environment Management System including setting up of Environment Management Laboratory
- j. Purchase of new equipment/system related to safety, occupational health or for environment compliances for common use of enterprise located in cluster.
- k. Development of Green Estate & Green Buildings for set up/ relocation/ retrofitting of existing polluting industrial units into Green Industrial Estates.
- l. Green Buildings which obtain green rating under the Indian Green Building Council (IGBC/LEED Certification)
- m. Cost for preparation of site master plan for relocation and retrofitting of existing pollution industrial units into Green Industrial Estates.

4.15.2. Zero Defect and Zero Effect (ZED) Rating that means Zero Defect and Zero Effect rating or certification or approval granted by Quality Council of India (QCI) under ZED Certification Policy of Government of India.

4.15.3. Zero Liquid Discharge Based Treatment Plant that means an effluent treatment plant in which the effluent water is either used or fully evaporated and no effluent is discharged out of factory premises, as certified by the Rajasthan State Pollution Control Board.

4.15.4. Water Conservation Solutions

- a. Wastewater treatment and recycling systems using technologies such as Activated
- b. Sludge Process (ASP), Membrane Bioreactors (MBR), Reverse Osmosis (RO), etc. to increase supply and use of treated water.
- c. Smart Solutions/IoT for Water and Wastewater to reduce dependency on manpower, enhance business continuity and remote operations using smart meters/ pumps/ sensors, data analytics, and cloud solutions.
- d. Adopting rainwater harvesting; restoring water bodies by de-silting defunct water bodies within the premises
- e. Zero Liquid Discharge Solutions.

4.15.5. Energy Efficiency Solutions means industries falling under the Rajasthan Green Rating system by meeting the eligibility criteria defined in the Green Rating of Industries in Rajasthan Policy.

4.15.6. Air Quality/Emission Reduction Measures will be applicable for those green interventions which the State deems fit.

4.16. Regional Anchors

The first 3 units making a mega or ultra-mega project category investment in Area Category 2 and Area Category 3 within districts which have at least 60% tehsils in Area Category 2 and Area Category 3, as notified by the Government from time to time, irrespective of the sector shall be eligible for a 20% anchor booster on top of the chosen

Asset Creation incentive, provided the cumulative number of units in mega/ ultra-mega category within the specified region does not exceed 3

4.17. Government/State

The Government or the State means the Government of Rajasthan.

4.18. Year

The term "year" refers to the financial year, which begins on 1st April and ends on 31st March.

4.19. Policy

Policy means Rajasthan Data Centre Policy 2025.

5. Financial Incentives, Exemptions and Reimbursements

5.1. New/ Expansion/ Diversification Enterprise (Large/ Mega/ Ultra Mega)

5.1.1. Asset Creation Incentives

Eligible Enterprises can avail either of the following incentives. The options stated below are mutually exclusive and an eligible Enterprise must make a one-time, irreversible choice while applying for seeking Asset Creation Incentive.

a. Investment Subsidy

Eligible Enterprises can avail a reimbursement of 75% of State tax due and deposited for a period of 7 years with subject to the annual ceiling of INR 50 Cr. for the year 1 to 3 and INR 65 Cr. for the year 4 to 7.

b. Capital Subsidy

Eligible Enterprises can avail Capital Subsidy based on the project category and area category as outlined in the table below as a fixed percentage of EFCI in annual instalments of 10 years post commencement of commercial production:

- ▶ Eligible Enterprises can avail Capital Subsidy based on the project category and area category as outlined in the table below as a fixed percentage of EFCI in annual instalments of 10 years post commencement of commercial production:

Project Category	Area Category 1	Area Category 2	Area Category 3
Large	13% of EFCI	17% of EFCI	20% of EFCI
Mega	17% of EFCI	20% of EFCI	23% of EFCI
Ultra Mega	23% of EFCI	25% of EFCI	28% of EFCI

- ▶ Capital Subsidy shall be subject to the annual ceiling of INR 50 Cr. for the year 1 to 3, INR 65 Cr. for the year 4 to 7 and INR 80 Cr. for the year 8 to 10.

c. Turnover Linked Incentive

- Eligible Enterprises can avail Turnover Linked Incentive based on the project category and area category as outlined in the table below as a fixed percentage of EFCI in annual instalments of 10 years post commencement of commercial production:

Project Category	Area Category 1	Area Category 2	Area Category 3
Large	1.20% of Net Sales Turnover	1.40% of Net Sales Turnover	1.65% of Net Sales Turnover
Mega	1.4% of Net Sales Turnover	1.65% of Net Sales Turnover	1.85% of Net Sales Turnover
Ultra Mega	1.65% of Net Sales Turnover	1.85% of Net Sales Turnover	2% of Net Sales Turnover

- Turnover Linked Incentive shall be subject to the annual ceiling of INR 50 Cr. for the year 1 to 3, INR 65 Cr. for the year 4 to 7 and INR 80 Cr. for the year 8 to 10.

5.1.2. Asset Creation Incentive: Top-Ups

Eligible Enterprises can avail following Asset Creation Incentive Top-ups as a percentage of the Asset Creation Incentive amount subject to the annual ceilings mentioned in Section 5.1.1 with respect to specific Asset Creation Incentives are inclusive of additional top up benefits.

- Employment Booster and;
► Thrust Booster or Anchor Booster or Interest Subvention.

a. Employment Booster

Enterprises generating employment greater than the minimum employment threshold stipulated in Table 1 for a given Project Category shall be eligible for an Employment Booster over the Asset Creation Incentive amount basis the table outlined below:

Project Category	Slab 1	Slab 2	Slab 3
Employment Slabs (Multiple of minimum employment threshold)	1.5x - <2x	2x - <2.5x	Greater than or equal to 2.5x
Booster % on Asset Creation Incentive (ACI) amount	10%	12.5%	15%

b. Thrust Booster

Eligible Manufacturing Enterprises operating in Textile and apparel focus sub-sectors (Clause 3.3) shall be eligible for a Thrust Booster of 10% over the Asset Creation Incentive amount.

c. Regional Anchor Booster

Eligible Manufacturing Enterprises operating in Textile and apparel focus sub-sectors (Clause 3.3) that are Regional Anchors shall be eligible for Regional Anchor Booster of 20% over the Asset Creation Incentive amount with subject to the following ceiling (whichever is lower):

- ▶ 20% over chosen Asset Creation Incentive amount OR 20% over annual ceilings prescribed for respective Asset Creation Incentive chosen by such Enterprise.
- ▶ 100% banking, wheeling and transmission charges waived off/reimbursed (for a period corresponding to the disbursal period for chosen Asset Creation Incentive) for captive power plants set up, provided energy generated is used for captive consumption only and no third-party sale will be allowed:
- ▶ There shall be a ceiling of 200% on the size of the captive power plant
- ▶ 100% Banking allowed with no restrictions on withdrawals during peak hours.
- ▶ For 'behind the meter' RE plants, there should be no ceiling on the maximum capacity of RE generation and ED exemptions should be applicable on perpetuity, provided they do not inject any power to the grid during off-peak hours.

d. Interest Subvention

5% Interest Subvention on term loans for making an investment in plant & machinery or equipment/ plant related apparatus (constituting a part of the EFCI), for a period of 5 years subject to a maximum of 2.5% of EFCI per year.

5.1.3. Special Incentives

a. Flexible Land Payment facility for the land procured from RIICO by upfront paying 25% of land cost and submitting a Bank Guarantee of the amount equivalent to remaining 75% of the land cost for 3 years. The remaining 75% of the land cost will be paid in 10 annual instalments at an interest rate of 8%.

b. Textile Manufacturing Enterprises shall be eligible to avail additional 5% reimbursement on the state tax due and deposited, for a period of 7 years.

OR

5% VAT reimbursement on PNG for a period of 7 years.

AND

Inclusion of Group Captive Investment in EFCI

- ▶ 51% of the investment in captive renewable power plants shall be eligible to be included the EFCI.
- ▶ Textile Manufacturing Enterprises entering into group captive power agreements (12+ years) will be eligible to Include 100% of their said investment in their EFCI.

c. Mother-Ancillary Ecosystem Incentives

- ▶ A group of Enterprises qualifying as an 'ecosystem' shall be eligible to receive financial incentives for the combined group investment, provided that the combined group investment is greater than INR 500 crores.

- ▶ To be considered an 'ecosystem' under this Policy, ancillary units must be located within 50 km of the mother unit and supply more than 50% of their total production to the mother unit annually.
- ▶ The ecosystem shall be required to present a legal agreement with details explaining that the Manufacturing Enterprises are applying as a part of a single ecosystem. The State may require submission of additional proof(s) to evidence the existence of an ecosystem, through an order/notification, or through any other means deemed appropriate.

5.1.4. Exemptions and Reimbursements

- a. Exemption from payment of 100% electricity duty for 7 years.
- b. 100% exemption on electricity duty to be paid for seven years on the Captive Renewable Energy Generation Plants.
- c. Exemption from payment of 75% stamp duty and reimbursement of 25% stamp duty.
- d. Exemption from payment of 75% conversion charge and reimbursement of 25% conversion charge.

5.1.5. Green Solution Incentives

To promote the sustainable development of the Textile and Apparel sector, the state shall provide the 'Green Solution Incentives' in the form of reimbursement of 50% of the cost of environmental projects up to a maximum of INR 12.5 Crores. The state shall decide the appropriate incentive for any emerging technology used for environment protection and sustainable production processes on a case-to-case basis.

5.1.6. Freight Incentive

- a. Eligible Textile and Apparel Manufacturing Enterprises shall be eligible for reimbursement of 25% of the total expenses on freight charges for sending goods for exports through State ICDs and/or air cargo complex subject to a maximum limit of INR 25 lacs per exporting unit per annum (only exporting units registered within Rajasthan shall be eligible).
- b. Existing Manufacturing Enterprises in Rajasthan, not currently availing benefits under any previous RIPS shall be eligible to avail Freight Subsidy, provided the Enterprise is a "first-time exporter" post the launch of this Policy.
- c. The annual ceilings mentioned in Section 5.1.1 with respect to specific Asset Creation Incentives are inclusive of freight incentives.

5.1.7. Skill and Training Incentive

Eligible Textile and Apparel Manufacturing Enterprises shall be eligible for reimbursement of:

- a. 50% of the total cost of employee training, up to a maximum of INR 4,000 /- per worker per month, for a maximum of 6 months, as a one-time incentive.
OR
50% of the total cost of employee training, up to a maximum of INR 100,000 /- per employee per annum, for maximum 20 employees per Enterprise, as a one-time incentive.
- b. In the foregoing, 'training' shall be training from an accredited institution, relevant to the operations & management of such Enterprise.
- c. The annual ceilings mentioned in Section 5.1.1 with respect to specific Asset Creation Incentives are inclusive of Skilling & Training Incentive.

5.1.8. Intellectual Property Creation Incentive

For in-house R&D, the government will pay 50% of the cost incurred up to a maximum of INR 1 crore for patent, copyright, trademark, and registration of geographical indicators.

5.2. Incentives for MSME

As per Rajasthan MSME Policy 2024

5.3. Incentives for Textile and Apparel Park Developers

A private industrial park developer shall be eligible for all the benefits and incentives as mentioned in the Private Industrial Park Scheme 2025.

6. Administration

The state establishes regulations and frameworks to ensure the implementation of the 'Rajasthan Textile and Apparel Policy 2025' across all departments.

6.1. Implementation and Administration

All the related Departments shall implement the 'Rajasthan Textile and Apparel Policy 2025'. The Industries & Commerce Department, Government of Rajasthan shall act as the nodal department for the implementation, coordination, and monitoring of this policy.

6.2. Interpretation of Policy

Any matter about the interpretation of any clause of this policy shall be referred to the PAC. The decision of PAC in such matters shall be final.

6.3. Review of the Policy

The Government reserves the right to review, revise and/ or modify this policy in full or in part, prospectively as and required.

6.4. Institutional Mechanism

Following is the institutional mechanism to ensure implementation of the 'Rajasthan Textile and Apparel Policy 2025' among all stakeholders while ensuring the right checks and balances.

6.4.1. Project Evaluation Committee (PEC)

'Project Evaluation Committee' comprising 8 members shall evaluate the proposal received physically or through the RajNivesh portal applying for benefits under this policy. Detailed guidelines regarding this provision shall be separately notified. The majority of the total number of members of the Project Evaluation Committee shall constitute the quorum at its meetings.

Project Evaluation Committee (PEC)	
Additional Commissioner – I Department of Commerce and Industries	Chairman
Financial Advisor	Member

Project Evaluation Committee (PEC)	
Department of Commerce and Industries	
Joint Legal Remembrancer Department of Commerce and Industries	Member
DGM 1 (Investment Promotion), Investment and NRIs (BIP)	Member
DGM 2 (Investment Promotion), Investment and NRIs (BIP)	Member
Officer in charge of the Investment Cell RIICO	Member
Officer in charge of the Business Promotion Cell RIICO	Member
Officer in Charge (Textile and Apparel Sector) Department of Commerce and Industries	Member Secretary

6.4.2 Project Approval Committee (PAC)

A six-member 'Project Approval Committee' shall have jurisdiction for approving or rejecting the applications of all enterprises applying for benefits under this policy. The decision of the Project Approval Committee shall be final. Detailed guidelines regarding this provision are to be separately notified. The majority of the total number of members of the Project Approval Committee shall constitute the quorum at its meetings.

Project Approval Committee (PAC)	
ACS/ Principal Secretary Industries	Chairman
Secretary Finance (Revenue) or any nominee of the Finance Department not below the rank of Joint Secretary	Member
MD Rajasthan Finance Corporation	Member
Commissioner Investment & NRIs (BIP)	Member
MD RIICO	Member
Commissioner Department of Commerce and Industries	Member Secretary

6.5. Application Process

The RajNivesh portal, managed by the Bureau of Investment Promotion (BIP), offers a single-point digital interface that facilitates time-bound clearances for investment- related

processes. All information related to investments, clearances, approvals, industrial land, plot availability, etc is presented on the RajNivesh portal.

RajNivesh portal will facilitate all the applications.

6.5.1. Application Submission

The applicant shall apply through submission of a physical application or RajNivesh Portal for clearances and approvals for benefits & incentives under this policy.

6.5.2. Application Evaluation

The Project Evaluation Committee will evaluate the DPR, and other requisite documents submitted physically or through the RajNivesh portal and submit its recommendations to the PAC within 60 days from the date of receipt of application. The Project Evaluation Committee may ask the applicant to appear before it to resolve its queries.

6.5.3. Application Approval

The Project Approval Committee will evaluate the project based on recommendations of the Project Evaluation Committee and DPR and will:

- a. Approve or reject the application of the project within 60 days from the date of receiving the recommendations of the Project Evaluation Committee.
- b. In case of approving the project, the Project Approval Committee will issue a Letter of Approval to the applicant.
- c. The Project Approval Committee may ask the applicant to appear before it to resolve its queries.

7. Terms and Conditions

This policy lays out different provisions and terms and conditions that need to be followed and clearly outlines the rights, responsibilities, and limitations of all the parties involved.

7.1. Phasing and Telescoping

- 7.1.1. Enterprises are permitted to phase their investments, provided that the minimum investment size for each phase exceeds INR 50 crores with a maximum of three phases allowed.
- 7.1.2. For Enterprises making an initial phase (Phase-1) investment as part of their total investment commitment within the operative period of this Policy, incentives will be disbursed according to the slabs defined under ACI for the Phase-1 investment amount.
- 7.1.3. When the Enterprise proceeds with subsequent investments to fulfil the remaining portion of its total commitment, it shall receive benefits based on the slab corresponding to the cumulative actual investment, applicable for the remaining approved period under this policy. If this cumulative investment results in an upgraded slab, the Enterprise will be entitled to receive benefits under the upgraded slab. These benefits will accrue to the investments made prior to meeting the eligibility criteria for the higher slab. This provision applies to all investments—whether new or expansions—made during the operative period of this policy.
- 7.1.4. Any phased investment beyond the operative period of the Policy shall be eligible for benefits under this policy for an additional 2 years post the Policy's operative period. This is provided that at least 50% of the total investment was made during operative period of this policy or within 2 years from grant of the LoA.

7.2. Transfer of Business

When the ownership of a unit of an Enterprise availing benefit of the Policy is entirely transferred in any manner, then the remaining benefits of such unit under the Policy, if any, shall be transferred to the transferee Enterprise on fulfilment of any statutory levy.

7.2.1. Application for Transfer

For availing such remaining benefits, the transferee enterprise shall submit a duly completed application as part of the attached forms and manner as may be prescribed, to the Member Secretary of the PAC along with proof of transfer of ownership of unit and original letter of approval issued to the transferor enterprise, within ninety days of such transfer.

7.2.2. Application Processing for Transfer

The Member Secretary of the PAC shall register the application and place the completed application before the PAC within forty-five days from the receipt of the application unless specifically extended for reasons to be recorded in writing. Where the application has been filed beyond ninety days of transfer, the PAC having been satisfied with the genuineness of the cause of delay may condone the delay in filing of the application from the prescribed date of application.

7.2.3. Approval of Transfer

In case the PAC approves the transfer of ownership, the Member Secretary shall amend the LoA by making an endorsement in the said certificate(s) as under; "The benefit under this certificate is hereby transferred to M/s, and the said Enterprise is entitled to avail the benefits mentioned in this certificate for a period from to".

After such endorsement, the Member Secretary shall forward it to all concerned immediately but not later than fifteen days from the date of the decision taken by the committee in its meeting, unless specifically extended for reasons to be recorded in writing.

7.2.4. Rejection of Transfer

Where the PAC is of the opinion that the transferee enterprise is not eligible to avail the remaining benefits of the Policy, it shall provide an opportunity to be heard to such enterprise and shall record the reasons of rejection. The decision of the PAC shall be communicated by the Member Secretary to the enterprise, and all concerned immediately but not later than thirty days from the date of the decision taken by the committee in its meeting, unless specifically extended for reasons to be recorded in writing.

7.3. Expansion/ Diversification**7.3.1. Exemption on Stamp Duty, Registration Fee & CLU**

Exemptions from stamp duty & land conversion charges will be provided on the additional stamp duty, registration fee & conversion charges payable for the additional land and/ or building purchased or leased for the expansion and/or diversification, for the applicable incentive period.

7.3.2. Exemption on Electricity Duty

Exemption will be allowed on additional consumption of electricity beyond the maximum consumption of electricity in any of the 3 years immediately preceding the year of commencement of commercial production through expansion-related investments for the applicable incentive period.

7.4. Transition

- 7.4.1.** Eligible enterprises as per this policy who had invested and received benefits under RIPS 2022 (other than customized packages), will have the option to avail of incentives under this policy, basis the eligibility criteria defined in this policy. All incentives will thereafter be applied based on the provisions of this policy for the remaining applicable tenure as approved under RIPS 2022. However, no benefits of this policy will be applied retroactively to incentives disbursed during the RIPS 2022 period.
- 7.4.2.** Eligible Enterprises who had applied for benefits under RIPS 2022 and have pending applications (other than customized packages) shall have the option to avail of incentives processed under RIPS 2025, basis the eligibility criteria defined in the RIPS 2025 or under this policy basis the eligibility criteria defined in this policy.

7.5. Calculation of EFCI

If an enterprise owns land and/ or building before the notification of this policy and such land and/ or building is used to set up the Textile and Apparel unit then such land and/ or building will be considered as part of the project cost to become eligible for Large, Mega and Ultra Mega unit bases upon the valuation of the land and/ or building by the Insolvency and Bankruptcy Board of India (IBBI) registered valuer under 'Land and Building' asset class. However, the capital subsidy shall be paid only on the fresh investment made.

7.6. Disbursement of Incentives

All the incentives for the applicant shall be linked with the development of the project as per the timelines mentioned in the DPR and approved by the PAC as a whole or in respective phases in case the project is being developed in phases.

- 7.6.1.** All the incentives for the project shall be linked with the development of the project as a whole or in respective phases in case the project is being developed in phases, as per the timelines mentioned in the DPR and approved by the PAC.
- 7.6.2.** In case of cost escalation for any reason whatsoever, the quantum of incentives will remain the same as approved and mentioned in the LoA issued by the PAC.
- 7.6.3.** The enterprise availing incentive under this scheme cannot avail incentive of any other state policy/ scheme unless specified otherwise.
- 7.6.4.** The subsidies/ incentives provided under this policy will be in addition to any other benefits available under any Government of India scheme/ policy.
- 7.6.5.** Detailed step-by-step guidelines for availing incentives will be issued separately.
- 7.6.6. Overall Extent of Subsidy**
The total amount of subsidy for the total period of benefit shall not exceed 125% of EFCI or as approved by the PAC.
- 7.6.7. Capital Subsidy**
Capital subsidy to the units shall be paid in ten equal installments.
- 7.6.8. Interest Subsidy**
a. Interest subsidy shall be in addition to any other incentive available under any other scheme of the Government of India subject to the enterprise paying a minimum of 2% of the interest after the GoI interest rate subsidy. The Enterprise availing interest subsidy under any other scheme/ package of state government shall not be eligible for availing benefit under this policy.

- b. The total benefit availed under interest subsidy shall not exceed the total interest liability from such term loan on the enterprise.
- c. Interest subsidy shall only cover the interest charged on the disbursed amount by the Financial Institution or Bank. The penal interest, outstanding interest, or other penal charges shall not be reimbursed.
- d. Interest subsidy shall be granted for the duration specified in the LoA or until the loan is fully repaid, whichever is earlier. In the event of the loan being transferred to another State Financial Institution, Financial Institution, or Bank recognised by the Reserve Bank of India, the subsidy may continue for the remaining period, subject to the approval of the appropriate PAC.
- e. The interest subsidy shall be given to the enterprise which pays regular instalments and interest to the lender. If an enterprise defaults on payments of EMI, it will lose the interest subsidy henceforth. The interest rate subsidy shall only be resumed after the unpaid EMIs have been paid and the loan account is regular.
- f. If the loan is transferred to another State Financial Institution, Financial Institution, Bank recognized by the Reserve Bank of India, or RBI recognised non-resident entities having a Loan Registration Number (LRN) the subsidy may continue for the remaining period and the remaining amount subject to approval by the PAC.
- g. The interest subsidy shall be available for up to five years only even if the loan tenure is of a higher period.

7.7. Other Terms and Conditions

- 7.7.1. All greenfield, diversifying and expanding textile and apparel enterprises will be eligible for incentives according to the provision of 'Rajasthan Textile and Apparel Policy 2025'.
- 7.7.2. An enterprise availing benefits under this policy shall comply with all statutory laws and regulations of the state of Rajasthan applicable to the enterprise. Non-compliance may entail cancellation/ withdrawal of the benefits under this policy.
- 7.7.3. An enterprise availing benefits under this policy shall be subject to the conditions, procedures, instructions, clarifications, or amendments issued from time to time under this policy.
- 7.7.4. In case the enterprise is availing any subsidy under any other scheme or policy of the Government of Rajasthan or any scheme or policy of any undertaking, corporation, or enterprise owned or controlled by the state or under any law of the state in respect of investment made in fixed assets, the total subsidy payable under this policy shall be reduced to the extent of the investment subsidy so received. The enterprise must inform the authority disbursing the subsidy under this policy about the details of any such subsidy received.
- 7.7.5. If it is found that an enterprise benefiting from this policy is ineligible or has misrepresented facts, the matter will be referred to the PAC. The PAC will provide the enterprise with an opportunity to be heard. If the PAC concludes that the enterprise is not entitled to get the benefits, it may withdraw such benefits, with reasons documented in writing. The member secretary of the PAC will communicate the committee's decision to all relevant parties. In the event of benefits being withdrawn, the PAC may order the recovery of benefits already availed, with interest charged at 18% per annum.
- 7.7.6. In the event of a breach of any condition outlined in this policy, the PAC will withdraw or discontinue the benefits availed under this policy. Following the PAC's recommendation, the concerned department will recover the benefits from

the enterprise, along with interest at 18% per annum from the date the benefits were first availed.

7.7.7. Enterprises receiving subsidies under this policy must, from the date of notification by the state government, maintain records of sales, and purchases in digital form (online in a computer) or a manner specified and also provide access to these records to the PEC/ PAC.

7.7.8. If it is discovered that a textile and apparel enterprise has wrongly or excessively availed benefits under this policy, or the RIPS 2022 (for enterprises under transition from RIPS 2022), those benefits will be disallowed. The enterprise, along with any other unit or branch, must repay the wrongly or excessively received benefits, with interest at 18% per annum.

7.7.9. Benefits under the Policy can only be availed if the enterprise has effective consent to establish and operate, from the Central/ Rajasthan State Pollution Control Board for the relevant periods if required as per the nature of the enterprise.

7.7.10. Rectification of Mistakes by PAC

a. With a view to rectifying any mistake apparent on the record, the PAC may either *suo moto* or on an application on this behalf, rectify any order passed by it.

b. A mistake shall include an order which was valid when it was made and is subsequently rendered invalid by an amendment of this policy having a retrospective operation or by a judgment of the Hon'ble Supreme Court, or the Hon'ble Rajasthan High Court.

c. No application for rectification shall be filed under this clause after the expiry of three years from the date of the order sought to be rectified.

d. An application under this clause shall be presented to the member secretary of the PAC. The Member Secretary shall place such application before the PAC and the PAC shall dispose of such application.

e. No order of rectification shall be made after the expiry of four years from the order date.

7.7.11. The State Empowered Committee, constituted under section 3 of the Rajasthan Enterprises Single Window Enabling and Clearance Act, 2011, is authorized to hear and decide appeals against orders of the PAC. Appeals must be filed within 90 days of the decision being communicated.

7.7.12. To facilitate electronic service delivery under this policy, and notwithstanding any contradictory provisions within this policy, the Government Department responsible for granting benefits or issuing letter of approval may require that applications, communications, orders, certificates, or disbursements related to Policy benefits be made or issued electronically.

To support this e-governance initiative, the Government Department may adjust the procedures outlined in this policy, if these adjustments are consistent with and compatible with electronic forms of communication and payment. Such changes will not invalidate any actions solely because they differ from the original procedural provisions of the Policy.

7.7.13. Enterprises availing benefits under this policy are subject to the conditions, procedures, instructions, clarifications, or amendments issued periodically under this policy

8. Project Management Unit

The Industries and Commerce Department will appoint a team of professionals as the Project Management Unit (PMU) to ensure effective implementation of the Rajasthan

Textile and Apparel Policy 2025. This PMU will support the department in promoting the policy's benefits to national and international investors, brands, and other stakeholders, while also providing prompt assistance to investors.

The PMU will carry out the following functions:

8.1. Information Dissemination of the Policy

PMU will assist the department in organizing roadshows, workshops, seminars, and media campaigns to raise awareness among stakeholders about the initiatives and support provided under the policy. The agency will also facilitate the state's participation in various national and international textile and apparel sector events.

8.2. Identification of Prospective Investors

PMU will identify potential domestic and international investors across the textile manufacturing value chain, including spun yarn, knitting, weaving, nonwovens, processing, garments, made-ups, technical textiles, and ancillary sectors such as garment accessories.

8.3. Coordination with Prospective Investors

PMU will engage with investors on a one-to-one basis, promoting investment opportunities in Rajasthan. It will also arrange business meetings, coordinate investor visits, and follow up with those expressing interest in investing. Additionally, PMU will support the department in addressing queries from potential investors to facilitate their investments.

8.4. Assistance in Mobilizing Proposals under Various Schemes

PMU will help the department in inviting, scrutinising, and mobilising project proposals eligible for assistance under this policy. It will also guide and support investors with the necessary documentation.

8.5. Evaluation and Appraisal of Detailed Project Reports (DPRs)

PMU will assist the department in evaluating and appraising the DPRs submitted by investors for project selection.

8.6. Monitoring and Reporting

PMU will help the department monitor project progress through periodic reporting on approved projects, ensuring effective tracking and implementation.

By the order of the Governor

Mahipal Kumar,
Deputy Secretary To Government.

राज्य केन्द्रीय मुद्रणालय, जयपुर।